

EXHIBIT 2

Page 1

1 UNITED STATES BANKRUPTCY COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 Lead Case No. 08-99000-smb

4 - - - - - x

5 Adv. Case No. 10-04390-smb

6 - - - - - x

7 IRVING H. PICARD, TRUSTEE FOR THE LIQUIDATION OF BERNARD L.

8 MADOFF INVESTMENT SECURITIES LLC, AND BERNARD L. MADOFF,

9 Plaintiffs,

10 v.

11 BAM L.P., et al.,

12 Defendants.

13 - - - - - x

14 Adv. Case No. 10-04377-smb

15 - - - - - x

16 IRVING H. PICARD, TRUSTEE FOR THE LIQUIDATION OF BERNARD L.

17 MADOFF INVESTMENT SECURITIES LLC, AND BERNARD L. MADOFF,

18 Plaintiffs,

19 v.

20 NELSON, et al.,

21 Defendants.

22 - - - - - x

23

24

25

Page 2

1 **Adv. Case No. 08-01789-smb**

2 -----x

3 **SECURITIES INVESTOR PROTECTION CORPORATION,**

4 **Plaintiff,**

5 **v.**

6 **BERNARD L. MADOFF INVESTMENT SECURITIES, LLC, et al.,**

7 **Defendants.**

8 -----x

9

10 **United States Bankruptcy Court**

11 **One Bowling Green**

12 **New York, NY 10004**

13

14 **November 28, 2018**

15 **10:03 AM**

16

17

18

19

20

21 **B E F O R E :**

22 **HON STUART M. BERNSTEIN**

23 **U.S. BANKRUPTCY JUDGE**

24

25 **ECRO: K. SU**

Page 3

1 HEARING re 10-04390-smb Motion for (A) Expedited
2 Determination Of Motion For A Stay Of Trial Pursuant To Rule
3 5011(C) Pending Ruling By The District Court On Defendants
4 Motion To Withdraw The Reference And (B) Granting A Stay.

5

6 HEARING re 10-04390-smb Request For Trial Logistical Matters

7

8 HEARING re 10-04377-smb Conference re Trial (also applies to
9 Adv. Proc. No. 10-04658)

10

11 HEARING re 08-01789-smb Trustees Twenty-Third Omnibus Motion
12 to Overrule Objections of Claimants, solely with respect to
13 claim of FGLS Equity LLC

14

15

16

17

18

19

20

21

22

23

24

25 Transcribed by: Sonya Ledanski Hyde

Page 4

1 A P P E A R A N C E S :

2

3 YESKOO HOGAN & TAMLYN, LLP

4 Attorneys for FGLS

5 909 Third Avenue, 28th Floor

6 New York, NY 10023

7

8 BY: RICHARD C. YESKOO

9

10 BAKER HOSTETLER

11 Attorneys for the Trustee

12 45 Rockefeller Plaza

13 New York, NY 10111

14

15 BY: NICHOLAS J. CREMONA

16 SEANNA R. BROWN

17 JASON BLANCHARD

18

19 BAKER HOSTETLER

20 Attorneys for the Trustee

21 811 Main Street, Suite 1100

22 Houston, TX 77002

23

24 BY: DEAN D. HUNT

25

Page 5

1 DENTONS US LLP

2 Attorneys for Michael & Merrill Mann and BAM LP

3 1221 Avenue of the Americas

4 New York, NY 10020

5

6 BY: CAROLE NEVILLE

7

8 SECURITIES INVESTOR PROTECTION CORPORATION

9 1667 K Street, N.W., Suite 1000

10 Washington, D.C. 20006

11

12 BY: KEVIN H. BELL

13

14 CHAITMAN LLP

15 Attorneys for Michael & Merrill Mann and BAM LP

16 465 Park Avenue

17 New York, NY 10022

18

19 BY: GREGORY M. DEXTER

20

21 ALSO PRESENT TELEPHONICALLY:

22 NATHANIEL S. KELLEY

23 PATRICK MOHAN

24 DAVID J. SHEEHAN

25

1 P R O C E E D I N G S

2 P R O C E E D I N G S

3 CLERK: All rise. Please be seated.

4 THE COURT: Madoff.

5 MR. CREMONA: Good morning, Your Honor. Nicholas
6 Cremona, Baker Hostetler, appearing on behalf of the
7 Trustee. I would propose Your Honor to go forward in the
8 order of the agenda that we filed yesterday, unless Your
9 Honor has a preference.

10 THE COURT: Well, I didn't see the agenda, but I'm
11 about to see it.

12 MR. CREMONA: The first matter scheduled is the
13 motion for stay, pursuant to the order to show cause that
14 Your Honor entered.

15 THE COURT: Okay. I'll hear that first, Ms.
16 Neville.

17 MS. NEVILLE: Good morning, Your Honor. Carole
18 Neville from Dentons on behalf of Michael and Meryl Mann and
19 Bam L.P.

20 Your Honor, the last time we were before you, and
21 I think we went down a rabbit hole or a bad path or a
22 frolic, whatever you want to call it, and I think it's the
23 same one Judge Daniels went down. That somehow, the
24 adversary proceeding would result in an allowed claim.

25 The bottom line is, and I'd like to go into a

1 little more deeply, is there's no way that the adversary
2 gives rise to a claim. There's no claim; it's dead. In
3 this case, both the net equity and the time-based damage
4 claim rulings, which really dispose of all of the assertions
5 in the claim.

6 THE COURT: But you were also contesting, at that
7 time, the Trustee's computation of the deposits and
8 withdrawals, even under the net investment method.

9 MS. NEVILLE: But, you know, that was actually
10 before we got initial disclosures, and I was able to
11 actually see what the Trustee had and what had been filed.
12 Because let's remember that these cases go back a very long
13 time. The net equity decision was before the adversary was
14 filed, so there were no initial disclosures. We didn't have
15 the documents from the account. All I had from my client
16 were his portfolio managing reports and statements.

17 When we got the documents that the Trustee had,
18 where the client requested money and he got a check or a
19 wire transfer, we now see that there's no way to contest it.
20 And vis-a-vis a claim? We're not contesting it. We don't
21 contest that. That's not an issue at the trial. So what I
22 have to say about that --

23 THE COURT: Because I asked you this question the
24 last time. I said, are you withdrawing your claim, and you
25 said no.

1 MS. NEVILLE: Well, you know something, Your
2 Honor? Truthfully, the pretrial -- the order, pretrial
3 process actually was helpful in crystallizing where we
4 actually are in this case. So I went back and I looked at
5 things like -- the letter of determination says, you know,
6 if the Trustee, if the Trustee gets a final order,
7 unappealable order vis-a-vis this net equity, it is prepared
8 to adjust the claim; otherwise, the claim is disallowed.
9 I'm really badly paraphrasing it.

10 THE COURT: But you're talking about the claims
11 procedure order?

12 MS. NEVILLE: That's in the letter of
13 determination that came as a part of that.

14 THE COURT: Okay. I understand what the net
15 equity decision meant. You still had some other objections.

16 MS. NEVILLE: Those went away with time-based
17 damages. And that, as I recall now --

18 THE COURT: Well, you also -- wait -- you also had
19 an objection that you can't go back more than two years.

20 MS. NEVILLE: But that's part of the net equity.
21 The net equity decision was not only money in versus money
22 out; it was when it began and when it ended.

23 THE COURT: Are you essentially arguing that the
24 determination of net equity in all of the defenses to that
25 determination is a separate question from whether or not you

1 received fictitious profits or could assert essentially the
2 same defenses, that you can't go back more than two years
3 for fictitious profits or you can't -- or, you know, you can
4 assert a value defense?

5 MS. NEVILLE: Well, that's where we have to put
6 that aside for one second. I just want to go back to the
7 issue of whether there's anything remaining in the claims
8 allowance.

9 And the second decision, which was the time-based
10 damages claim, was spurred by something the SEC said in the
11 net equity argument. And they said, you know, really, that
12 money in versus money out should be adjusted for the time
13 value of money. So we went up on that issue, and that issue
14 nailed finally time-based damages, interest, and all the
15 other things.

16 So there isn't any way that the adversary can
17 change the fact that there are final unappealable orders
18 disposing of all of the issues with respect to allowance of
19 a claim.

20 Now your question is, is that coterminous with the
21 defense under 548(c), and our answer to that is no. And I
22 think --

23 THE COURT: But isn't that a legal question? In
24 other words, I read the pretrial order this morning. And
25 aside from the dispute as to whether or not there was a

Page 10

1 Ponzi scheme, and you also raise the issue, well, maybe this
2 was property of Madoff personally rather than BLMIS, which
3 was being transferred, seems to me these are all legal
4 issues that could be resolved, you know. If you're saying
5 there is no factual dispute, they can just be resolved on a
6 motion for summary judgment.

7 MS. NEVILLE: Well, Your Honor, I struggle with
8 that myself, frankly. Because the reason that I have -- I'm
9 on a trail path, as opposed to following Mr. Kirby and
10 Lowry, which I completely agree with on a legal basis, is
11 because I would not concede that this was a Ponzi scheme.
12 Now --

13 THE COURT: So what's the affect on your claim if
14 it's not a Ponzi scheme?

15 MS. NEVILLE: Well, whatever the effect has
16 nothing on the claim. But what it has is under 548(c)
17 defense and those are not coterminous. Because if you
18 consider this, as I do, a securities fraud case and subject
19 to securities fraud defenses, those defenses come in as
20 defenses. They have no impact on whether or not I have a
21 claim against the BLMIS estate.

22 THE COURT: What you're really saying, and this
23 comes back to the argument whether you can set off your
24 damage claim against their claim to recovery.

25 MS. NEVILLE: That's called antecedent debt, Your

1 Honor. It's another way of saying antecedent debt.

2 THE COURT: I understand that, but you're ignoring
3 the distinction between the SIPA estate and the general
4 estate. And what you're proposing to do -- let me just
5 finish -- what you're proposing to do is essentially reduce
6 your liability under SIPA by asserting a general claim
7 against the estate. And I'll say, fine, go file a claim
8 against the general estate.

9 MS. NEVILLE: Not under SIPA.

10 THE COURT: Don't interrupt me, please. I'll say
11 fine, go file your claim against the general estate, but you
12 can't set it off and reduce the amounts available to satisfy
13 net equity claims. You know, that's been the subject of
14 litigation; it's a legal issue.

15 MS. NEVILLE: Your Honor, that was an argument
16 that Judge Rakoff first introduced in the antecedent debt
17 decision that there is a priority scheme in their SIPA, but
18 that's not true under 548(c).

19 So whether I have a securities law claim, it's not
20 subject to the allowance of a claim against the BLMIS
21 estate. I have a defense. If I was in -- not in a
22 bankruptcy case, this would be adjudicated as a securities
23 case, like Ponzi, a case which you guys hate. But, frankly

24 --

25 THE COURT: In which case? Oh, the Sixth Circuit

1 case?

2 MS. NEVILLE: Yeah. I mean --

3 THE COURT: Why would I hate it?

4 MS. NEVILLE: I mean, everybody trashes it without
5 really looking at the reasoning, which is just this is a
6 securities law case, and this is how you decide securities
7 law cases.

8 I understand that we have focused on this for a
9 very long time under the Ponzi scheme umbrella, and that net
10 equity and the adversary are two sides of the coin, as the
11 Trustee argued to Judge Rakoff. But Judge Rakoff himself
12 said that net equity is not the deciding factor of the
13 adversary proceeding, in this case, 490 --

14 THE COURT: Well, you're saying they're different
15 defenses. But basically, they're computed in the same way:
16 net equity and fictitious profits.

17 MS. NEVILLE: No, they're not.

18 THE COURT: How's -- how are they computed in a
19 different manner?

20 MS. NEVILLE: Well, a securities fraud case, first
21 of all, allows you two different remedies: one is the
22 damages that are not allowed.

23 THE COURT: No, no. I understand you're saying
24 you have different defenses. But how -- what's the
25 difference in computing net equity and fictitious profits?

1 Just, let's stick with that question.

2 MS. NEVILLE: You --

3 THE COURT: In other words, before you get to your
4 defenses, they would have to establish a prima facie case.
5 What's the difference in their prima facie case to show net
6 equity or to show fictitious profits?

7 MS. NEVILLE: Nothing.

8 THE COURT: Okay.

9 MS. NEVILLE: My defense is completely different.

10 THE COURT: I understand that.

11 MS. NEVILLE: And I have a defense. So the fact
12 that they can show that I've put in X -- Mr. Mann put in X
13 and took out Y, has nothing to do with -- it has -- it only
14 begins the question of what I can do with my defense.

15 THE COURT: Okay, that's a legal argument. If
16 you're telling me that there's nothing left in the claims
17 allowance process -- is that what you're saying? Because
18 you now have stipulated to the withdrawals and deposits, so
19 that for purposes of net equity, you have a zero claim.

20 MS. NEVILLE: Correct.

21 THE COURT: All right. Okay.

22 MS. NEVILLE: And there's no way it can be revived
23 by the adversary proceeding. But that doesn't determine
24 what my defenses were any more than it would have raised --
25 well, a perfect example is the 546(e) decision, which said

Page 14

1 that you -- the Trustee can't go back a six-year period and
2 doesn't have a constructed fraud case or a case under state
3 law. That was a way that the defense was not coterminous
4 with net equity.

5 THE COURT: But that --

6 MS. NEVILLE: 548(c) is another one.

7 THE COURT: The Second Circuit was construing
8 Section 546(e). You've prevailed on 546(e). The Trustee is
9 limited to two years.

10 MS. NEVILLE: But we have not -- we have not
11 really addressed fully the 548(c), because that Ponzi scheme
12 thing comes whacking you back. And then all of the estate -
13 - the other defenses --

14 THE COURT: You're -- are you saying that the
15 548(c) is not a defense to the computation of the net equity
16 claim?

17 MS. NEVILLE: 548(c), let me -- let me --

18 THE COURT: I'm trying to figure out if you still
19 have defenses, regardless of what you say, to the claim
20 you've asserted. Are you saying that you can assert your
21 state law rights?

22 MS. NEVILLE: Correct.

23 THE COURT: In response to the adversary
24 proceeding, but not in response to the computation of net
25 equity?

1 MS. NEVILLE: Yes, because it's gone, it's gone.

2 I have -- I stipulated to it.

3 THE COURT: The Second Circuit --

4 MS. NEVILLE: It was disallowed. It was
5 disallowed by Lifland, it was disallowed by the Second
6 Circuit. It's gone. The net equity is their claim; it's
7 not my defense.

8 THE COURT: I know, but net equity is just --

9 MS. NEVILLE: Don't say it's two sides in the same
10 coin.

11 THE COURT: Well, I think the comp- -- you've
12 admitted that the computation itself is the same, but you're
13 saying you have additional defenses in an adversary
14 proceeding that you don't have to a net equity claim.

15 MS. NEVILLE: Yes, absolutely, absolutely.

16 THE COURT: So are you --

17 MS. NEVILLE: And those --

18 THE COURT: Are you prepared to withdraw all of
19 your defenses, all of your objections with prejudice? In
20 other words, everything that was raised as an objection to
21 the Trustee's determination, are you withdrawing that with
22 prejudice? Because that's where we got caught up the last
23 time. And then the Trustee can argue, well, that's gone on
24 principles res judicata effect on something.

25 MS. NEVILLE: It's gone.

Page 16

1 THE COURT: You'll withdraw -- you'll withdraw
2 your object- --

3 MS. NEVILLE: I don't have to, it's gone. It's
4 been fully disposed of. I can, I will, I've admitted that --
5 - I've admitted that --

6 THE COURT: Why don't you make an oral motion to
7 withdraw your claim with prejudice?

8 MS. NEVILLE: Okay. I'm making --

9 THE COURT: No. I'm not putting it --

10 MS. NEVILLE: No, no.

11 THE COURT: Just say the words.

12 MS. NEVILLE: Your Honor, I make an oral motion to
13 withdraw Mann -- Michael Mann and Meryl Mann's claim and
14 Bam's claim with prejudice.

15 THE COURT: Okay. So what's left now?

16 MS. NEVILLE: What's left now --

17 THE COURT: No, no, let me hear from them.

18 MS. NEVILLE: Well, can I just finish really?
19 Because one of the things that -- you've raised a number of
20 issues at our last discussion about this issue, which I went
21 back and tried to really figure out.

22 And one of the questions you raised was, once you
23 filed a claim, is it kind of inevitable that I have -- that
24 you have final adjudicative authority over the --

25 THE COURT: In connection with the claims

1 allowance process.

2 MS. NEVILLE: That's right. And the cases are so
3 different than ours, which really, as you know, has been a
4 really unique process with everything going off in different
5 directions.

6 THE COURT: Wait a minute. Are you going to tell
7 me that if you have a live claim and their adversary
8 proceeding not only seeks to recover money on a fraudulent
9 transfer basis, but seeks to object to your claim under
10 502(b), that I don't have final adjudicatory authority over
11 that?

12 MS. NEVILLE: No, I wouldn't, Your Honor. And you
13 know something? We actually had a case. You actually had a
14 case, Mr. Marco's case, where he had two accounts, and one
15 was positive and one was negative, and the Trustee had a
16 502(d) claim. It was settled on other issues about whether
17 or not the transfers actually occurred. But that is the
18 case where they actually had a 502(d) count in the
19 complaint.

20 THE COURT: Did they really need it then? In
21 other words, under 502(d), if the Trustee recovers or gets a
22 judgment voiding and recovering a transfer, your claim is
23 automatically disallowed. It's a ministerial act; they
24 don't even have to make a motion.

25 MS. NEVILLE: Well, there's different accounts, so

1 they did have to.

2 THE COURT: Well, but let's assume it's one
3 account.

4 MS. NEVILLE: Right, right.

5 THE COURT: That --

6 MS. NEVILLE: But you know --

7 THE COURT: I have no -- in other words, I have no
8 discretion in that situation. The code says your claim
9 shall be disallowed unless and until you repaid it.

10 MS. NEVILLE: Yeah, no, but I do think that that
11 502(d), which Judge (indiscernible) also focuses on, is the
12 linkage between the adversary and the claims.

13 THE COURT: Now let me hear from them. I
14 understand what you're saying; that there's no longer a
15 claim to be adjudicated. I understand that. Let me hear
16 from them.

17 MR. CREMONA: Thank you, Your Honor. Again,
18 Nicholas Cremona on behalf of the Trustee. A lot was said
19 just now. I think --

20 THE COURT: Okay. She has made a motion to
21 withdraw the three claims with prejudice, or withdraw the
22 objections and the claims with prejudice. What more is left
23 of the claims allowance process, vis-a-vis the three
24 defendants? I understand you still have disputes, but
25 what's left of the claims allowance process?

Page 19

1 MR. CREMONA: Your Honor, I think we're in a sense
2 putting the cart before the horse. We really need to
3 evaluate the jurisdictional threshold issue, which you and I
4 and Ms. Neville discussed on 9/26 and I'm happy to go
5 through that.

6 But I would say, what's left? I mean, an oral
7 motion is not sufficient to withdraw a claim that's been
8 pending and joined and is pending before Your Honor. I
9 know, you know, we talked about it last time, that Rule 41
10 applies -- Rule 41 applies, those factors applies. If I
11 may, Your Honor --

12 THE COURT: But she's withdrawing it with
13 prejudice. You know, as long as she withdraws it with
14 prejudice, what's the objection? Rule 41 is really
15 concerned with a situation where a plaintiff tries to
16 withdraw the claim without prejudice, but she's withdrawing
17 it. And then the question is, well, under principles of res
18 judicata.

19 MR. CREMONA: Sure.

20 THE COURT: What does that mean to the adversary
21 proceeding?

22 MR. CREMONA: Well, there are a number of issues
23 that still remain that overlap that we talked about. If you
24 --

25 THE COURT: What factual issues? Just about the

Page 20

1 claims allowance process. Or let me ask you this way; if
2 she actually -- and if you want to respond to the motion,
3 fine, I'll let you respond to the motion. But, you know,
4 what factual issues are left vis-a-vis the claims allowance
5 process if she's withdrawing her claim with prejudice and
6 her objections with prejudice? Which is part of what I
7 assume you're doing, Ms. Neville.

8 MS. NEVILLE: Yes, Your Honor.

9 THE COURT: Okay.

10 MR. CREMONA: Well, Your Honor, we submitted, as
11 you pointed out in pretrial order last night, that that
12 revives and includes many of those very same issues. Such
13 as, you know, I could tell you Paragraphs 20, 21, 23, 29 --

14 THE COURT: I've read the pretrial order.

15 MR. CREMONA: All reference --

16 THE COURT: I understand that.

17 MR. CREMONA: They all reference the balance of
18 the claim and they assert -- for example, prejudgment
19 interest is an issue in this case.

20 THE COURT: But it's not a part of the net equity
21 claim.

22 MR. CREMONA: But it is -- Ms. Neville is
23 asserting that the last statement balance and that they're
24 entitled to some interest that should be calculated on that,
25 and that is in this present- -- that is presently in this

1 pretrial order.

2 THE COURT: Well, she's actually asserting more.

3 She's saying that she has a securities entitlement under the
4 UCC to the balance in that last statement.

5 MR. CREMONA: Exactly. So those are all the
6 paragraphs I'm referring to.

7 THE COURT: I understand. But it just doesn't
8 sound like -- if you accept the proposition that my final
9 adjudicatory authority over this adversary proceeding would
10 end if there were no claim -- no claims allowance process,
11 which is what she's really saying, how can I try the
12 adversary proceeding?

13 MR. CREMONA: I think we have to look at it,
14 first, Your Honor, as we discussed last time. Whether Your
15 Honor's jurisdiction can be invoked by the filing of the
16 claim, and then subsequently, disavowed by an act, an oral
17 motion, or a purported withdrawal of the claim. The answer
18 to that --

19 THE COURT: Do you want to respond to her motion?
20 I mean, I understand what you're saying; that there may be
21 issues regarding whether or not she can escape the
22 jurisdiction of the Court by withdrawing the claim. And
23 I'll give you a chance to respond to that; you don't have to
24 respond to it here. But the fact remains, is she's
25 withdrawn her claim.

1 And then you're going to say, well, she can't
2 circumvent the equitable jurisdiction of the Court by
3 withdrawing her claim with prejudice; that's what you're
4 really saying.

5 MR. CREMONA: I am.

6 THE COURT: And I'll give you a chance to respond
7 to that.

8 MR. CREMONA: I guess I would respond orally by
9 saying, as we asserted last time and we discussed at length,
10 Rule 3006 precludes such a motion.

11 THE COURT: She just made a motion.

12 MR. CREMONA: Well, it preclude- -- procedurally,
13 I think it's improper at this point. I think we do need to
14 look at the Rule 41 factors that we articulated last time.

15 THE COURT: To withdraw with prejudice?

16 MR. CREMONA: Well, we -- the Trustee is arguably
17 prejudiced by that purported withdrawal or attempted
18 withdrawal.

19 THE COURT: All right. I'll give you a chance to
20 brief that. I don't see why she has to file a separate
21 motion with one paragraph that says, I withdraw my claims
22 and my objections with prejudice, so she's done it. How
23 much time do you need to respond?

24 MR. CREMONA: Your Honor, we're happy to respond
25 on Monday, and we think the trial should go forward. I'd

Page 23

1 like to discuss -- I mean, none of what Ms. Neville just
2 articulated was any basis for a stay of that trial. I mean,
3 none of those factors have been discussed. I think the
4 Court still has jurisdiction over the adversary proceeding.

5 THE COURT: But that's answering -- that's
6 assuming the answer to the question that you want to brief.
7 I don't know if I still have it. I understand that Rule
8 3006 and Rule 306 under the old act, in part, were designed
9 to avoid strategic withdrawals.

10 But it seems to me -- I'm not so sure I still have
11 jurisdiction to try this adversary proceeding if it's not
12 part of the claims allowance process; that's the bottom
13 line. And that's what I'm having trouble with, and I don't
14 think it's such a simple answer.

15 MR. CREMONA: Well, if I may just discuss it
16 briefly. The question is whether Your Honor has
17 jurisdiction, and I would submit that you do.

18 THE COURT: Well, I certainly have related to
19 jurisdiction.

20 MR. CREMONA: And I would submit that you have
21 jurisdiction based on the cases in our papers, such as In Re
22 EXBS, which provides that once a party submits their claims
23 to the court's jurisdiction themselves and all related
24 disputes, that they cannot later disavow that jurisdiction
25 based on a withdrawal of the claim; that is the law. I

Page 24

1 mean, we discussed last time the Germaine case, which it
2 says --

3 THE COURT: Germaine said because it was part of
4 the claims allowance process.

5 MR. CREMONA: Fair enough, Your Honor. But
6 clearly, In Re EXBS, as we discussed at length, I think
7 which is applicable here, found that the purported
8 withdrawal of a claim was null and void and struck a right
9 to a jury trial as a result. The facts of this case, Your
10 Honor, all four as we --

11 THE COURT: So you don't want to submit any
12 further pleadings on this motion.

13 MR. CREMONA: We're happy to submit them as soon
14 as Your Honor would like, but we don't want to delay the
15 trial that is scheduled to go forward.

16 THE COURT: Well, that may be inevitable. Because
17 there's no point in my trying a case where I don't have
18 jurisdiction and they have a right to a jury trial, and this
19 is not a simple issue.

20 MR. CREMONA: Well, I think there are additional
21 factual issues. I know I mentioned --

22 THE COURT: There are certainly factual issues.
23 There are a lot of factual issues. The question is whether
24 there are factual issues relating to the claims allowance
25 process where she has withdrawn the claims.

1 MR. CREMONA: Right, which -- she, on the one
2 hand, is maintaining that this is not a Ponzi scheme, which
3 directly would implicate the calculation of avoidance
4 liability and net equity. So, I mean, I think that is an
5 issue.

6 THE COURT: But can't you argue -- I mean, what
7 you're saying (indiscernible) is that her withdrawal --
8 under principles of res judicata, her withdrawal with
9 prejudice of her claim and her objections forecloses the
10 argument that the profits were fictitious under the net
11 equity decision -- or were not fictitious, I guess, under
12 the net equity decision. Isn't that really what this is
13 about?

14 MR. CREMONA: Well, I think we discussed this last
15 time, right? This oral motion is -- gets us halfway there.
16 I hear that there is a motion to withdraw with prejudice.
17 However, as Your Honor recognized many times, Judge Rakoff
18 recognized, the claims allowance and the calculation of
19 avoidance liability, as well as value under 548(c), as well
20 as net equity, are all inextricably intertwined.

21 THE COURT: Well, she's not arguing with the
22 calculations anymore, as I understand it.

23 MR. CREMONA: Well, but she's contesting that it's
24 a Ponzi scheme would necessarily implicate those
25 calculations. So my point is that --

1 THE COURT: Then don't you argue that the
2 withdrawal of prejudice precludes her from arguing that
3 they're not fictitious profits?

4 MR. CREMONA: That's my point.

5 THE COURT: So why don't you make a motion for
6 summary judgment?

7 MR. CREMONA: That's fine, Your Honor. My point
8 is, if she's going to make that -- if she -- if that motion
9 is granted, that has to have the res judicata effect of
10 foreclosing all of the defenses that are still being
11 maintained.

12 THE COURT: But you can make -- I'm not going to
13 decide that today.

14 MR. CREMONA: I understand.

15 THE COURT: And then, you know, when I read --

16 MR. CREMONA: I'm just trying to make, you know --

17 THE COURT: I read the pretrial order. And with
18 the stipulations, putting aside the issue of whether or not
19 there was a Ponzi scheme, they were just all legal issues
20 really, and the issue of whether or not the transfer was by
21 Madoff individually or, you know, by BLMIS, which was raised
22 in the pretrial order.

23 MR. CREMONA: Your Honor, we're happy to make a
24 motion for summary judgment in response to this oral motion.

25 THE COURT: You can make a motion for summary

1 judgment, like how you're going to deal with the Ponzi
2 scheme issue. I mean, I guess you can put in Devinsky's
3 report, and he'll opine that, you know, there was no trading
4 and old money -- or new money was used to satisfy the
5 withdrawals of old money.

6 MR. CREMONA: I think the problem, though, is we
7 again are forgetting one important fact here, Your Honor.
8 We worked with Miss Neville for over a year on our Rule 56
9 statement. We were never able to reach agreement on
10 stipulated facts.

11 THE COURT: Because she's not willing to concede
12 that it's a Ponzi scheme.

13 MR. CREMONA: Exactly.

14 THE COURT: But she's conceding everything else
15 basically, and you direct --

16 MR. CREMONA: I understand that, but it still
17 leaves the issue of a trial that is necessary on the Ponzi
18 issues, which is what we were prepared to do and go forward
19 with.

20 THE COURT: Unless her withdrawal with prejudice
21 of her claim and objections precludes her from making that
22 argument. If it doesn't, well, that's an issue for trial,
23 for a jury, isn't it? It's not part of the -- it's just not
24 part of the claims allowance process anymore.

25 Look, are you opposing -- let me take a step back.

Page 28

1 Forget about the date of the trial. Are you opposing her
2 application to withdraw her claims and her objections with
3 prejudice?

4 MR. CREMONA: Yeah, I guess I'd like to confer,
5 Your Honor, this is --

6 THE COURT: Or are you not opposing it, but saying
7 it doesn't matter for jurisdictional purposes.

8 MR. CREMONA: I agree with that, it does not
9 matter.

10 THE COURT: Well, I'm not saying that's the
11 ruling.

12 MR. CREMONA: Well, that is our -- well --

13 THE COURT: So just tell me what you -- what's the
14 result you're looking for, then I'll know what you're
15 arguing.

16 MR. CREMONA: The result we're looking for is to
17 move forward with the trial.

18 THE COURT: Yeah, but that's not a legal result.

19 MR. CREMONA: Well, Your Honor, we've not
20 addressed any of the jurisdictional issues that I'm prepared
21 to address that were the subject of these motions. I don't
22 think that, as I've said, the withdrawal of the claim,
23 whether granted or not, I guess Your Honor would have
24 jurisdiction. Because a claimant and subsequent defendant
25 that submits itself to this Court's jurisdiction or any

Page 29

1 bankruptcy court's jurisdiction for the equitable resolution
2 of their claims does so with respect to all disputes that
3 are -- result from that claim, and that is squarely this
4 case.

5 And the defendants cannot, on the one hand, invoke
6 Your Honor's jurisdiction when it suits them and
7 subsequently, disavow it when may suit them as well.

8 THE COURT: She's taking a chance on the res
9 judicata argument, but -- so you don't want to put in any
10 further papers.

11 MR. CREMONA: We do, Your Honor. We will do that.
12 We certainly --

13 THE COURT: When will you put them in?

14 MR. CREMONA: We will do that, yeah, a week from
15 today.

16 THE COURT: Do you have an argument date before
17 Judge Broderick?

18 MS. NEVILLE: We don't have an argument date; we
19 just have a briefing schedule, Your Honor.

20 THE COURT: All right. So a week from today is
21 what day?

22 MR. CREMONA: December 5th.

23 THE COURT: I'll give you a week to respond, okay.
24 But in the meantime, you can submit an order with her
25 consent, vanilla order withdrawing her claims and her

1 objections with prejudice.

2 MS. NEVILLE: Your Honor, why don't I prepare it
3 so that I don't have to fight over it.

4 THE COURT: I don't think you'll have to fight
5 over it. I mean, I could enter it today. Why don't you do
6 this? Email her a copy of the order. If you have an
7 objection, tell him, and then we'll have a phone conference
8 and I'll go over the order.

9 MS. NEVILLE: Okay.

10 MR. CREMONA: Okay.

11 MS. NEVILLE: Okay.

12 THE COURT: I'll give you until 12/12, Ms.
13 Neville, to file a reply. I'll obviously adjourn the trial,
14 same idea. Let me give you an adjourn date for your motion
15 for a stay. Is there any way -- well, never mind.

16 MS. NEVILLE: What were you going to say, Your
17 Honor?

18 THE COURT: I was going to say if there's a way to
19 find out an argument date from Judge Broderick because I
20 don't want to step on his toes.

21 MS. NEVILLE: What I was going to suggest is that
22 I communicate with --

23 THE COURT: Judge Broderick.

24 MS. NEVILLE: -- Judge Broderick.

25 THE COURT: Well, he's probably going to say, wait

Page 31

1 until I decide this issue. But just -- I can't -- you know,
2 you can certainly go ahead and ask him for an argument date.
3 I can't tell you not to. Why don't we adjourn this to
4 December 19th.

5 MS. NEVILLE: The stay motion.

6 THE COURT: Yeah. Well, it's kind of academic at
7 this point because the trial is effectively stayed by virtue
8 of the pleading. At 10:00, okay?

9 MS. NEVILLE: Yes, Your Honor. And the schedule
10 for the briefing on the withdrawal of the claim is their
11 response is due next Friday?

12 THE COURT: Next -- the 5th, a week from today,
13 and your reply, if any, is due the 12th.

14 MS. NEVILLE: And the 12th, thank you.

15 THE COURT: Oh, we have a conference regarding the
16 trial in Nelson?

17 MR. CREMONA: I'm sorry, Your Honor?

18 THE COURT: We have a conference regarding the
19 trial of Nelson? What was the problem? I know he had a hip
20 replacement, or he had some medical issue.

21 MR. HUNT: There are two cases here: one with
22 Carol Nelson for 455,000, and one for Carol and Stanley
23 Nelson for 2.6 million. Last time we were here I thought
24 was going to be the last time we'd be here on this issue,
25 but nevertheless, here we are.

1 Ms. Chaitman said in the hearing last time that
2 the whole month of May was free for her, and you said even
3 that seemed like a long time to wait.

4 The Court did accommodate Mrs. Nelson's knee
5 surgery, which was in January. And apparently, she must be
6 feeling better because Ms. Chaitman has scheduled her case
7 first.

8 THE COURT: When is her case scheduled for?

9 MR. HUNT: It's scheduled -- well, our target
10 dates are May 8th through 10.

11 THE COURT: Okay.

12 MR. HUNT: I think we may have checked with the
13 Court to confirm that those dates are available.
14 Interestingly, that's the low value claim, \$455,000 claim.

15 THE COURT: Can we -- putting aside medical
16 issues, can we try these two cases together?

17 MR. HUNT: That was exactly what we have proposed,
18 Your Honor, on multiple occasions. And in our letter, we
19 included the email correspondence back and forth with Ms.
20 Chaitman where she refused to do that.

21 THE COURT: Any reason?

22 MR. HUNT: I think that we can try both of them in
23 three days. The witnesses are the same, the experts are the
24 same.

25 THE COURT: The issues are the same except for the

1 deposits and withdrawals, right?

2 MR. HUNT: The only thing that we have to do is
3 confirm the deposits and withdrawals. And actually, that
4 should be relatively straightforward. So whether they're
5 consolidated or just tried back to back, I think we can
6 accommodate things pretty quickly.

7 THE COURT: All right. Let me hear from you on
8 the consolidation issue, the consolidation of the trials,
9 Mr. Dexter.

10 MR. DEXTER: Yes, Your Honor. Our position --
11 Greg Dexter here on behalf of the Nelson defendants. Our
12 position is that we don't think it's fair to subject a woman
13 in her late 80s to back-to-back trials when she's going to
14 be here and she's already taking on the strenuous task of
15 having one trial. We don't think it's fair to have another
16 trial.

17 THE COURT: So let's try them together, then
18 she'll only be here once.

19 MR. DEXTER: We think she needs a break. We don't
20 want to consolidate them. When Your Honor had the
21 conference in October with Ms. Chaitman, there was no
22 discussion about consolidating them. Ms. Chaitman said
23 she'd give dates in May; she gave dates in May. We have a
24 trial schedule.

25 THE COURT: Let me give you this choice. We can

Page 34

1 try them back to back in May, or we can consolidate them and
2 just try them together; they're the same issues.

3 MR. DEXTER: What we're asking for simply is a
4 trial in June for the main case, which has the two Nelson
5 defendants; that's all we're asking for. We're asking for -
6 -

7 THE COURT: Is there an objection to that?

8 MR. HUNT: Yes, Your Honor. We, you know, have
9 been waiting a long time. We think that they're just trying
10 to schedule the low value case first and delay.

11 THE COURT: Why don't we do this? Why don't you -
12 - I'm going to issue an order, oral order to show cause, Mr.
13 Dexter, why the cases should not be consolidated for trial
14 for the reasons I've said. It's basically the same issues;
15 the only difference is the deposits and withdrawals from the
16 respective accounts.

17 And, you know, you may disagree with them, but I
18 assume they're going to prove them through Miss Collura and
19 Mr. Greenblatt. And having gone through the PW trial, it's
20 not going to take a lot of time. Then, you know, it's the
21 same issues whether there was a Ponzi scheme; maybe some of
22 these legal issues that I've been discussing with Miss
23 Neville will come up. But how long do you need to respond
24 to that motion?

25 MR. DEXTER: We can respond in seven days.

1 THE COURT: Okay. So you file your response --
2 let me just finish this.

3 MR. DEXTER: Okay.

4 THE COURT: So you file your response to my -- so
5 your response will be due the 5th.

6 MR. HUNT: That's right.

7 THE COURT: Any reply will be due the 12th. I'll
8 adjourn it to the 19th. And then we'll just fix the second
9 trial date either as part of the first trial or I'll fix it
10 for afterwards.

11 MR. HUNT: That sounds great to us.

12 THE COURT: Okay.

13 MR. HUNT: Thank you.

14 MR. DEXTER: Your Honor, along with that briefing,
15 I would like to request permission to file a motion for an
16 adjournment of these trials, given that the Trustee just
17 yesterday, or it may have been the day before that, amended
18 his initial disclosures in all of the cases except these two
19 cases and the (indiscernible) case to disclose at least a
20 dozen witnesses who the Trustee asserts has knowledge and
21 who, if the Trustee's amended disclosures are accurate,
22 should have been disclosed earlier and should have been
23 disclosed in this case. So we'd like to brief that issue.

24 THE COURT: What is this?

25 MR. HUNT: Some of the cases still have discovery

1 ongoing, and we've amended our initial disclosures.

2 THE COURT: Well, what he's saying is that they
3 should have been disclosed initially. And, okay, you're
4 supplementing the record. You know, these people may have
5 evidence that's relevant to his adversary proceeding. In
6 other words, if you're going to call traders, identify
7 traders and say, we never traded a single security or
8 something like that.

9 MR. HUNT: We're not planning on calling any of
10 those witnesses in this case.

11 THE COURT: No, but they still may have knowledge.
12 Do you just have to list your witnesses, your proposed
13 witnesses?

14 MR. HUNT: You have to list the people who you
15 think you will rely on at trial.

16 MR. DEXTER: Or who have discoverable information.

17 THE COURT: I don't know. Remember the last time
18 I looked at Rule -- well, I mean, I guess the answer is, you
19 can always seek to reopen discovery if you think there's a
20 basis to it. You don't have to delay the trial yet because
21 the trial isn't until May. I mean, I guess you could --

22 MR. HUNT: I agree. If he wants to file a motion
23 on that issue, he can. I think it's going to be denied.

24 THE COURT: Where's the provision for what you
25 have to disclose editorially? What is it, 26(b)? Where's

1 that provision for the contents of the mandatory
2 disclosures?

3 MR. HUNT: I think it's 26(b), but I don't know.

4 MS. NEVILLE: I think it's 26, Your Honor.

5 THE COURT: I know it's in 26, but it's a long
6 rule. All right. Well, I guess the answer is that, you
7 know, if you -- let me cut to the chase here, Mr. Dexter.
8 If you think that there is a basis for delaying the trial,
9 reopening discovery, whatever it is, obviously, you can file
10 a motion, and then I'll consider it.

11 MR. HUNT: Yeah, it's the rule.

12 THE COURT: I'm not going to tell you you can't
13 file the motion.

14 MR. HUNT: The rule is what I said it was. It's
15 people who we may use to support our claims or defenses.

16 THE COURT: Okay. Well --

17 MR. HUNT: We're not going to use it.

18 THE COURT: It may be -- that may be the answer to
19 the question, but I don't know.

20 MR. DEXTER: Okay. So we'd like to brief that
21 together in this case.

22 THE COURT: Did you take discovery in these cases
23 in Nelson?

24 MR. DEXTER: Quite honestly, I'm not familiar with
25 what discovery was taken in this case.

1 THE COURT: Okay. Well, if he didn't have to
2 disclose it and you didn't ask it, you may be out of luck.

3 MR. HUNT: Your Honor, the record is that we took
4 discovery.

5 THE COURT: They didn't take any discovery in
6 these cases? All right. So I guess you can make your
7 motion. But in the meantime, I'll adjourn the consolidation
8 issue to 12/19. File your response, you can file your
9 response. I have to tell you I'm inclined to grant it.
10 There are just so many common issues of law in fact.

11 And you're telling me it's a strain for Mrs.
12 Nelson, who I understand is elderly, to be here for an
13 extended period of time. But it seems to me that it's in
14 her best interest to just try the cases together, because
15 the actual deposits and withdrawals will only take a few
16 minutes.

17 MR. DEXTER: If it was in her best interest, she
18 would certainly consent, but she feels that it isn't. All
19 the exhibits are different; there are different legal
20 issues.

21 THE COURT: What are the different legal issues?

22 MR. DEXTER: There's different accounts.

23 THE COURT: What are the different legal issues?

24 MR. DEXTER: Well, one of the accounts is an IRA,
25 which implicates a host of legal issues.

1 THE COURT: Like what? Well, but those are legal
2 issues. I mean, the witnesses are here to testify about the
3 facts. What are the different factual issues?

4 MR. DEXTER: Well, we're going to have motions in
5 limine, right? And those are due seven or 14 days before
6 trial.

7 THE COURT: But how are they different? That's
8 what I'm asking you. In other words, all -- except for the
9 deposits and withdrawals, all of the factual issues are the
10 same, aren't they?

11 MR. DEXTER: Well, all of the facts are different;
12 they're different facts, there's different evidence, they're
13 different accounts.

14 THE COURT: Aside from the withdrawals and the
15 deposits, what different evidence is there?

16 MR. DEXTER: Well, that's pretty much the primary
17 evidence.

18 THE COURT: That's not going to take -- that's not
19 going to take very long though.

20 MS. NEVILLE: Your Honor, may I answer that?
21 Because I have a lot of those cases.

22 THE COURT: No, I'm not asking you.

23 MS. NEVILLE: Okay.

24 THE COURT: You sit down.

25 MR. DEXTER: Well, there was also trading of

Page 40

1 different securities in their accounts. We do have evidence
2 that Madoff was actively trading securities in these
3 accounts. We're going to put on that evidence.

4 THE COURT: You can provide that information. I
5 can still consolidate the trial for certain issues. For
6 example, if you're going to argue that there was never a
7 Ponzi scheme, that's something I could certainly
8 consolidate, right? I don't have to -- where insolvency is
9 an issue, I can certainly consolidate that.

10 MR. DEXTER: I don't think so, because if I'm not
11 mistaken, Your Honor just denied the Trustee's motion to
12 consolidate for that very issue.

13 THE COURT: But that was because some of the
14 cases, the parties didn't have claims and were entitled to
15 jury trials and, you know, reasons like that. The Nelsons
16 are similarly situated in the sense that they filed claims,
17 you know, they've gone up to Judge Daniels, they've come
18 back, and Judge Daniels has ruled that I can try these
19 cases. So I don't have those concerns.

20 But why don't -- rather than answering me now
21 since I'll give you a chance to put it on paper, and you can
22 explain to me with specificity why the -- you know, why the
23 issues or fact of law are sufficiently different that it
24 doesn't make sense to try these cases together. It sounds
25 for medical reasons, it does make sense to try them

1 together, so you might want to think about that also.

2 MR. DEXTER: Okay, Your Honor. We look forward to
3 the opportunity.

4 THE COURT: I mean, legal issue, nobody has to be
5 here except you and the Trustee's counsel for legal issues.
6 I'm not concerned about that.

7 MR. DEXTER: Well, we're going to have to file
8 motions in limine. And if we're filing them in two cases in
9 the same week, that does impose a bit of a burden on
10 counsel.

11 THE COURT: Unless they're the same motions.

12 MR. DEXTER: Maybe, but I think each defendant
13 (indiscernible) made to assume (indiscernible).

14 THE COURT: I'll see you on the 19th. Thank you.

15 MR. DEXTER: Thank you, Your Honor.

16 THE COURT: I look forward to reading your
17 response. All right. The Trustee's omnibus objection.

18 MR. BLANCHARD: Thank you, Your Honor. Jason
19 Blanchard for the Trustee.

20 THE COURT: A new face.

21 MR. BLANCHARD: Excuse me, Your Honor?

22 THE COURT: A new face.

23 MR. YESKOO: Two new faces, Your Honor.

24 THE COURT: All right, go ahead.

25 MR. BLANCHARD: Before Your Honor is FGLS' partial

1 objection to the Trustee's 23rd omnibus claims motion.
2 FGLS' objection is primarily based on its argument that it
3 should receive full credit for an inter-account transfer of
4 approximately \$3 million of entirely fictitious profits on
5 the basis that the Trustee failed to explain the basis for
6 treating that transfer as a zero-dollar transfer in his SIPA
7 determination letter.

8 THE COURT: Well, I think he's saying you failed
9 to provide the evidence underlying what it is you said or
10 what the Trustee said.

11 MR. BLANCHARD: Well, 3007 addresses --

12 THE COURT: And the basis is the deposits were
13 less than the withdrawals.

14 MR. BLANCHARD: Well, he hasn't -- he hasn't
15 contested the Trustee's application or the calculations.

16 THE COURT: Well, he has because he's saying on
17 one particular deposit, you gave him zero and he's entitled
18 to 3.1 million or something like that.

19 MR. BLANCHARD: But he doesn't dispute the
20 Trustee's calculation; he only addresses the failure to
21 explain --

22 THE COURT: Right, okay.

23 MR. BLANCHARD: -- the basis in the determination
24 letter itself.

25 THE COURT: Right.

1 MR. BLANCHARD: And we would submit that we've
2 explained that the basis for treating it as zero. And, for
3 example, the 2010 complaint that we filed against FGLS was
4 simply referenced through the letter, where we explained
5 that the transfer only received principal credit to the
6 extent there was principal in the transferor account at the
7 time of the transfer, i.e., the inter-account transfer
8 method.

9 We've also had offline discussions before he filed
10 the omnibus objection with FGLS' current counsel explaining
11 the basis for the determination. So in our view, it's
12 almost disingenuous to say that they didn't have notice of
13 the particular reason for the treatment of that zero dollar.

14 THE COURT: Let me hear from your adversary.

15 MR. YESKOO: Your Honor, Richard Yeskoo, Yeskoo
16 Hogan & Tamlyn, for FGLS.

17 THE COURT: Welcome.

18 MR. YESKOO: Thank you, Your Honor. Hopefully,
19 this is my last time (indiscernible).

20 THE COURT: I don't take that as an insult.

24 THE COURT: Well, hopefully, you'll have more.

25 MR. YESKOO: Well --

1 THE COURT: Not necessarily with this Trustee.

2 MR. YESKOO: Okay. So I think the key issue in
3 this case is when the Trustee makes a determination, what
4 kind of information does he have to give to the claimant?

5 THE COURT: Doesn't the claims procedure order
6 deal with that?

7 MR. YESKOO: Yes, it does.

8 THE COURT: What does it say?

9 MR. YESKOO: What the procedure -- the claims
10 procedure order says is, you have to give us the
11 determination and the reason for the determination.

12 THE COURT: And he gave the reason, the
13 withdrawals exceeded the deposits. What more do you have to
14 know?

15 MR. YESKOO: If you look at the determination
16 letter, which is next to my affidavit, is Exhibit 1. What
17 they said is, we're giving you credits for \$3.4 million, and
18 the reason is your deposits exceeded your withdrawals. It
19 did not say anything about why they were not giving any
20 credit for the transfer from another BLMIS account. It was
21 totally silent on that issue.

22 THE COURT: Well, why do they have to do that in a
23 determination letter, or why does he have to do that in a
24 determination letter?

25 MR. YESKOO: Because the claimants procedure order

1 says you have to give us the reason you're not giving us any
2 credit for that initial 3.1 million transfer.

3 THE COURT: Well, maybe it's how we define reason.

4 MR. YESKOO: Pardon?

5 THE COURT: Maybe it's how you define reason
6 you're contesting his computations.

7 MR. YESKOO: We're not contesting his computations
8 at this time, Your Honor, I mean, the objection.

9 THE COURT: So you agree that this is your net
10 equity claim. But -- so what are you seeking?

11 MR. YESKOO: What we're saying is this was an
12 objection timely made.

13 THE COURT: Right.

14 MR. YESKOO: At the time within -- by, you know,
15 prior counsel, which said this determination letter is
16 defective.

17 THE COURT: Okay.

18 MR. YESKOO: Because you didn't give us the reason
19 you're ignoring this initial \$3.1 million. And so, it's
20 essentially what we're doing is essentially pressing our
21 motion to dismiss that determination letter. And we're
22 suggesting that the same standards that you apply to a
23 complaint or --

24 THE COURT: Let me ask you a question, same
25 standards. Who has the burden of proof on the question of

1 the amount of your claim?

2 MR. YESKOO: We have the burden of proof as to our
3 objection. I concede that.

4 THE COURT: Okay.

5 MR. YESKOO: But what our objection is, not to the
6 Trustee's calculation. We had to withdraw that subsequent
7 to the Second Circuit opinion. Our objection is, you didn't
8 follow the rules and you lose, and we've sustained that
9 burden of proof, Your Honor.

10 THE COURT: How have you sustained the burden of
11 proof?

12 MR. YESKOO: Because all I have to do is point to
13 their determination letter, and there's no reason given for
14 ignoring that initial transfer.

15 THE COURT: But that assumes you made out a prima
16 facie case. How have you done that?

17 MR. YESKOO: A prima facie case. I'm not the
18 plaintiff.

19 THE COURT: Well, the filing --

20 MR. YESKOO: I'm essentially putting an
21 affirmative --

22 THE COURT: Okay. So you admit though that you
23 haven't made out your prima facie case. So if you haven't
24 done that, he doesn't have to do anything.

25 MR. YESKOO: No, I think that's putting the cart

1 before the horse. Because essentially, you have two things
2 here: there's a motion to dismiss, coupled with a factual
3 defense that you would have to go trial in terms of all the
4 withdrawals.

5 THE COURT: What's the factual defense?

6 MR. YESKOO: The factual defense asserted with the
7 objection was, listen, we don't know what it was. But if
8 you're relying on the net equity, we don't know how much C&P
9 actually had in its account, whether they were a net winner
10 or a net loser.

11 THE COURT: You analogize to an answer. And
12 normally, if you have -- you allege a fact in support of
13 your affirmative case, all the defendant does is deny it.
14 He doesn't have to give a reason why he's denying it, right?

15 This isn't -- in other words, what the Trustee is
16 asserting, I'm saying it's not a defense. He's saying he
17 just disagrees with your calcula- -- with your claim.

18 MR. YESKOO: But he had to give a reason.

19 THE COURT: He gave a reason.

20 MR. YESKOO: No, he didn't. I mean, that's our
21 fundamental disagreement, Your Honor. If you say he gave a
22 sufficient reason, I lose this motion.

23 THE COURT: How were you -- let me ask you a
24 question. How were you -- or how was your client prejudiced
25 by the failure of the Trustee to say the reason we gave you

1 zero credit for the initial inter-account transfer was that
2 there was nothing in the transferor account at the time.

3 MR. YESKOO: My problem is, since I'm --

4 THE COURT: I'm just asking you how you're
5 prejudiced.

6 MR. YESKOO: Yeah, no, I know, but I want to
7 explain.

8 THE COURT: You didn't know --

9 MR. YESKOO: I want to deal with it directly, Your
10 Honor.

11 THE COURT: You didn't know what he was talking
12 about?

13 MR. YESKOO: No, no, no, no. I wasn't the counsel
14 at that time.

15 THE COURT: Well, I understand that.

16 MR. YESKOO: Stanley Arkin was the counsel.

17 THE COURT: But you're just an agent for a
18 principal.

19 MR. YESKOO: Right.

20 THE COURT: So how was the principal prejudiced?

21 MR. YESKOO: So I don't know what happened. We
22 have an adverse position with all these counsel now, so I
23 don't know what happened with Mr. Arkin, who's retired, or
24 with his subsequent counsel.

25 THE COURT: I'm asking a completely different --

1 MR. YESKOO: I don't know if FGLS was prejudiced
2 or not. I mean, that's the plain blunt answer.

3 THE COURT: So -- well, you think FGLS didn't know
4 the reason for the zero value?

5 MR. YESKOO: I mean, that goes to Mr. Arkin's --
6 assuming Mr. Arkin is as good as he is. And I've met him
7 and worked with him on a case and, believe me, he's very
8 good. He probably figured it out.

9 THE COURT: Well, isn't it set forth though in the
10 2010 complaint?

11 MR. YESKOO: Yes, it is, Your Honor.

12 THE COURT: So the question --

13 MR. YESKOO: And you can't rely on that, Your
14 Honor. I mean, that's --

15 THE COURT: No, no, no. I'm asking a different
16 question. You're saying it's not part of the determination,
17 and I'm asking about prejudice. So even if you're right,
18 it's not part of the determination. Obviously, FGLS knew
19 what the Trustee was talking about when he attached a chart
20 which duplicated, in all material respects, the chart that's
21 attached to the complaint as Exhibit B.

22 MR. YESKOO: I assume Mr. Arkin figured it out. I
23 can't say of my own personal knowledge, Your Honor.

24 THE COURT: Well, whether or not he read it, you
25 know, I have to impute that to him. So it's pretty clear

1 that your client was not prejudiced by that, right?

2 MR. YESKOO: Might be. I'm not going to concede
3 that, Your Honor, because I don't have the personal
4 knowledge.

5 THE COURT: All right. Just tell me how they're
6 prejudiced.

7 MR. YESKOO: I'm drawing a blank, Your Honor.

8 THE COURT: Okay. Anything else?

9 MR. YESKOO: No.

10 THE COURT: Okay. Any response?

11 MR. BLANCHARD: Not unless Your Honor has any
12 questions.

13 THE COURT: All right. I'm going to overrule the
14 objection of FGLS to what is essentially a motion to strike
15 the determination, the claims procedure order on several
16 grounds.

17 First of all, the claims procedure order just says
18 that the Trustee has to give the basis for his objection,
19 and he gave the basis in the determination letter. He said
20 the withdrawals exceeded the deposits; he included a chart
21 that duplicated the chart that was attached to the 2010
22 complain and gave zero credit for the initial inter-account
23 transfer that opened the account.

24 He doesn't really have to do anything more. First
25 of all, as counsel concedes, he has the burden of proof, and

1 all the Trustee really has to do is deny the claim. But he
2 didn't just deny it; he said, okay, you have a -- because
3 you put in a claim, I think for about \$12 million, which was
4 based on the last statement which was rejected by the net
5 equity decision.

6 So instead of just denying it, he said, you know
7 what, I think you have a claim of \$3.4 million, and he gave
8 the basis for that. Which was, I said, was that the
9 deposit, there was no trading in the account and the
10 withdrawals exceeded the deposits.

11 In addition, there's a history to this. The
12 Trustee sued FGLS in 2010 on a preference theory, attached a
13 printout of the account, which, again, gave zero credit to
14 the initial transfer. And in a footnote to that particular
15 chart said, in substance, the reason you're getting zero for
16 that is there was no money in the transferor account; it's
17 all fictitious profits.

18 And then even the objection refers to the inter-
19 account transfer decision and given the only objection that
20 was really raised to the determination. Everybody knew that
21 the objection focused on giving zero credit under the inter-
22 account transfer decision to the initial deposit, and the
23 reason for that is there that there were only fictitious
24 profits in the transferor account.

25 And finally and relatedly, FGLS wasn't prejudiced

1 because FGLS always knew the reason for the denial because
2 it was set forth in the 2010 complaint. Which, again, the
3 chart duplicates in all -- the chart to the determination
4 letter duplicates in all material respects what was there.

5 And, yes, maybe it didn't incorporate the
6 footnote, but it's pretty apparent from the history of the
7 case. And considering this all occurred in 2015 after the
8 inter-account transfer issue, that that was the reason for
9 it.

10 So is there otherwise any other objections,
11 further objections to the Trustee's determination?

12 MR. YESKOO: No, those were withdrawn, Your Honor.

13 THE COURT: Okay. So the Trustee can submit an
14 order, I guess, fixing the net equity claim to \$3.45
15 million, which is the result and you'll get paid, I guess.

16 MR. YESKOO: We've been paid already, Your Honor,
17 on that. Thank you.

18 THE COURT: Okay.

19 MR. BLANCHARD: Thank you, Your Honor.

20 THE COURT: All right, thank you.

21 (Whereupon these proceedings were concluded at
22 10:58 AM)

23

24

25

1 C E R T I F I C A T I O N

2

3 I, Sonya Ledanski Hyde, certified that the foregoing
4 transcript is a true and accurate record of the proceedings.

5

6

7

8 Sonya Ledanski Hyde

9

10

11

12

13

14

15

16

17

18

19

20 Veritext Legal Solutions

21 330 Old Country Road

22 Suite 300

23 Mineola, NY 11501

24

25 Date: November 29, 2018

[& - amended]

Page 1

&	2018	2:14 53:25	8	adjudicated	11:22
& 4:3 5:2,15	21	20:13	80s	18:15	
43:16	23	20:13	811	adjudicative	16:24
0	23rd	42:1	8th	adjudicatory	17:10 21:9
08-01789 2:1 3:11	26	36:25 37:3,4,5	9	adjust	8:8
08-99000 1:3	28	2:14	9/26	adjusted	9:12
1	28th	4:5	909	admit	46:22
	29	20:13 53:25		admitted	15:12
1 44:16	3		a	16:4,5	
10 32:10	3	42:4	able	7:10 27:9	
10-04377 1:14 3:8	3.1	42:18 45:2,19	absolutely	15:15	
10-04390 1:5 3:1	3.4	44:17 51:7		15:15	
3:6	3.45	52:14	academic	31:6	
10-04658 3:9	300	53:22	accept	21:8	
1000 5:9	3006	22:10 23:8	accommodate		
10004 2:12	3007	22:11	32:4 33:6		
10020 5:4	306	23:8	account	7:15 18:3	
10022 5:17	330	53:21	42:3 43:6,7 44:20		
10023 4:6	4		47:9 48:1,2 50:22		
10111 4:13	41	19:9,10,14	50:23 51:9,13,16		
10:00 31:8		22:14	51:19,22,24 52:8		
10:03 2:15	45	4:12	accounts	17:14,25	
10:58 52:22	455,000	31:22	34:16 38:22,24		
1100 4:21		32:14	39:13 40:1,3		
11501 53:23	465	5:16	accurate	35:21	
12 51:3	490	12:13	53:4		
12/12 30:12	5		act	17:23 21:16	
12/19 38:8	5011	3:3	23:8		
1221 5:3	502	17:10,16,18	actively	40:2	
12th 31:13,14		17:21 18:11	actual	38:15	
35:7	546	13:25 14:8,8	addition	51:11	
14 39:5	548	9:21 10:16	additional	15:13	
1667 5:9		11:18 14:6,11,15	24:20		
19th 31:4 35:8	56	14:17 25:19	address	28:21	
41:14	5th	27:8	addressed	14:11	
2	29:22	31:12	28:20		
2.6 31:23	35:5		adjourn	30:13,14	
20 20:13	7		31:3 35:8 38:7		
20006 5:10	77002	4:22	adjournment	35:16	
2010 43:3 49:10					
50:21 51:12 52:2					
2015 52:7					

[americas - cases]

Page 2

americas 5:3	asked 7:23	baker 4:10,19 6:6	brief 22:20 23:6
amount 46:1	asking 34:3,5,5	balance 20:17,23	35:23 37:20
amounts 11:12	39:8,22 48:4,25	21:4	briefing 29:19
analogize 47:11	49:15,17	bam 1:11 5:2,15	31:10 35:14
answer 9:21 21:17	assert 9:1,4 14:20	6:19	briefly 23:16
23:6,14 36:18	20:18	bam's 16:14	broderick 29:17
37:6,18 39:20	asserted 14:20	bankruptcy 1:1	30:19,23,24
47:11 49:2	22:9 47:6	2:10,23 11:22	brown 4:16
answering 23:5	asserting 11:6	29:1	burden 41:9
40:20	20:23 21:2 47:16	based 7:3 8:16 9:9	45:25 46:2,9,10
antecedent 10:25	assertions 7:4	9:14 23:21,25	50:25
11:1,16	asserts 35:20	42:2 51:4	c
anymore 25:22	assume 18:2 20:7	basically 12:15	c 3:3 4:1,8 6:1,2
27:24	34:18 41:13 49:22	27:15 34:14	9:21 10:16 11:18
apparent 52:6	assumes 46:15	basis 10:10 17:9	14:6,11,15,17
apparently 32:5	assuming 23:6	23:2 36:20 37:8	25:19 53:1,1
appearing 6:6	49:6	42:5,5,12,23 43:2	c&p 47:8
applicable 24:7	attached 49:19,21	43:11 50:18,19	calcula 47:17
application 28:2	50:21 51:12	51:8	calculated 20:24
42:15	attempted 22:17	began 8:22	calculation 25:3
applies 3:8 19:10	attorneys 4:4,11	begins 13:14	25:18 42:20 46:6
19:10,10	4:20 5:2,15	behalf 6:6,18	calculations 25:22
apply 45:22	authority 16:24	18:18 33:11	25:25 42:15
approximately	17:10 21:9	believe 49:7	call 6:22 36:6
42:4	automatically	bell 5:12	called 10:25
arguably 22:16	17:23	bernard 1:7,8,16	calling 36:9
argue 15:23 25:6	available 11:12	1:17 2:6	carol 31:22,22
26:1 40:6	32:13	bernstein 2:22	carole 5:6 6:17
argued 12:11	avenue 4:5 5:3,16	best 38:14,17	cart 19:2 46:25
arguing 8:23	avoid 23:9	better 32:6	case 1:3,5,14 2:1
25:21 26:2 28:15	avoidance 25:3,19	bit 41:9	7:3 8:4 10:18
argument 9:11		blanchard 4:17	11:22,23,23,25
10:23 11:15 13:15	b 2:21 3:4 17:10	41:18,19,21,25	12:1,6,13,20 13:4
25:10 27:22 29:9	36:25 37:3 49:21	42:11,14,19,23	13:5 14:2,2 17:13
29:16,18 30:19	back 7:12 8:4,19	43:1 50:11 52:19	17:14,14,18 20:19
31:2 42:2	9:2,6 10:23 14:1	blank 50:7	24:1,9,17 29:4
arkin 48:16,23	14:12 16:21 27:25	blmis 10:2,21	32:6,8 34:4,10
49:6,22	32:19 33:5,5,13	11:20 26:21 44:20	35:19,23 36:10
arkin's 49:5	33:13 34:1,1	blunt 49:2	37:21,25 43:22
articulated 22:14	40:18	bottom 6:25 23:12	44:3 46:16,17,23
23:2	bad 6:21	bowling 2:11	47:13 49:7 52:7
aside 9:6,25 26:18	badly 8:9	break 33:19	cases 7:12 12:7
32:15 39:14			17:2 23:21 31:21

[cases - court]

Page 3

32:16 34:13 35:18	51:1,3,7 52:14	computing 12:25	coterminous 9:20
35:19,25 37:22	claimant 28:24	concede 10:11	10:17 14:3
38:6,14 39:21	44:4	27:11 46:3 50:2	counsel 41:5,10
40:14,19,24 41:8	claimants 3:12	concedes 50:25	43:10 45:15 48:13
caught 15:22	44:25	conceding 27:14	48:16,22,24 50:25
cause 6:13 34:12	claims 8:10 9:7	concerned 19:15	count 17:18
certain 40:5	11:13 13:16 16:25	41:6	country 53:21
certainly 23:18	18:12,21,22,23,25	concerns 40:19	coupled 47:2
24:22 29:12 31:2	20:1,4 21:10	concluded 52:21	court 1:1 2:10 3:3
38:18 40:7,9	22:21 23:12,22	confer 28:4	6:4,10,15 7:6,23
certified 53:3	24:4,24,25 25:18	conference 3:8	8:10,14,18,23
chaitman 5:14	27:24 28:2 29:2	30:7 31:15,18	9:23 10:13,22
32:1,6,20 33:21	29:25 37:15 40:14	33:21	11:2,10,25 12:3
33:22	40:16 42:1 44:5,9	confirm 32:13	12:14,18,23 13:3
chance 21:23 22:6	50:15,17	33:3	13:8,10,15,21
22:19 29:8 40:21	clear 49:25	connection 16:25	14:5,7,14,18,23
change 9:17	clearly 24:6	consent 29:25	15:3,8,11,16,18
chart 49:19,20	clerk 6:3	38:18	16:1,6,9,11,15,17
50:20,21 51:15	client 7:15,18	consider 10:18	16:25 17:6,20
52:3,3	47:24 50:1	37:10	18:2,5,7,13,20
chase 37:7	code 18:8	considering 52:7	19:12,20,25 20:9
check 7:18	coin 12:10 15:10	consolidate 33:20	20:14,16,20 21:2
checked 32:12	collura 34:18	34:1 40:5,8,9,12	21:7,19,22 22:2,6
choice 33:25	come 10:19 34:23	consolidated 33:5	22:11,15,19 23:4
circuit 11:25 14:7	40:17	34:13	23:5,18 24:3,11
15:3,6 46:7	comes 10:23	consolidating	24:16,22 25:6,21
circumvent 22:2	14:12	33:22	26:1,5,12,15,17
claim 3:13 6:24	common 38:10	consolidation	26:25 27:11,14,20
7:2,2,4,5,20,24	communicate	33:8,8 38:7	28:6,10,13,18
8:8,8 9:10,19	30:22	constructed 14:2	29:8,13,16,20,23
10:13,16,21,24,24	comp 15:11	construing 14:7	30:4,12,18,23,25
11:6,7,11,19,20	complain 50:22	contents 37:1	31:6,12,15,18
13:19 14:16,19	complaint 17:19	contest 7:19,21	32:4,8,11,13,15
15:6,14 16:7,13	43:3 45:23 49:10	contested 42:15	32:21,25 33:7,17
16:14,23 17:7,9	49:21 52:2	contesting 7:6,20	33:25 34:7,11
17:16,22 18:8,15	completely 10:10	25:23 45:6,7	35:1,4,7,12,24
19:7,16 20:5,18	13:9 48:25	copy 30:6	36:2,11,17,24
20:21 21:10,16,17	computation 7:7	corporation 2:3	37:5,12,16,18,22
21:22,25 22:3	14:15,24 15:12	5:8	38:1,5,21,23 39:1
23:25 24:8 25:9	computations	correct 13:20	39:7,14,18,22,24
27:21 28:22 29:3	45:6,7	14:22	40:4,13 41:4,11
31:10 32:14,14	computed 12:15	correspondence	41:14,16,20,22,24
45:10 46:1 47:17	12:18	32:19	42:8,12,16,22,25

[court - dispute]

Page 4

43:14,17,20,24 44:1,5,8,12,22 45:3,5,9,13,17,24 46:4,10,15,19,22 47:5,11,19,23 48:4,8,11,15,17 48:20,25 49:3,9 49:12,15,24 50:5 50:8,10,13 52:13 52:18,20 court's 23:23 28:25 29:1 credit 42:3 43:5 44:20 45:2 48:1 50:22 51:13,21 credits 44:17 cremona 4:15 6:5 6:6,12 18:17,18 19:1,19,22 20:10 20:15,17,22 21:5 21:13 22:5,8,12 22:16,24 23:15,20 24:5,13,20 25:1 25:14,23 26:4,7 26:14,16,23 27:6 27:13,16 28:4,8 28:12,16,19 29:11 29:14,22 30:10 31:17 crystallizing 8:3 current 43:10 cut 37:7	31:2 35:9 53:25 dates 32:10,13 33:23,23 david 5:24 day 29:21 35:17 days 32:23 34:25 39:5 dead 7:2 deal 27:1 44:6 48:9 dean 4:24 debt 10:25 11:1 11:16 december 29:22 31:4 decide 12:6 26:13 31:1 deciding 12:12 decision 7:13 8:15 8:21 9:9 11:17 13:25 25:11,12 51:5,19,22 deeply 7:1 defective 45:16 defendant 28:24 41:12 47:13 defendants 1:12 1:21 2:7 3:3 18:24 29:5 33:11 34:5 defense 9:4,21 10:17 11:21 13:9 13:11,14 14:3,15 15:7 47:3,5,6,16 defenses 8:24 9:2 10:19,19,20 12:15 12:24 13:4,24 14:13,19 15:13,19 26:10 37:15 define 45:3,5 delay 24:14 34:10 36:20 delaying 37:8	denial 52:1 denied 36:23 40:11 dentons 5:1 6:18 deny 47:13 51:1,2 denying 47:14 51:6 deposit 42:17 51:9 51:22 deposits 7:7 13:18 33:1,3 34:15 38:15 39:9,15 42:12 44:13,18 50:20 51:10 designed 23:8 determination 3:2 8:5,13,24,25 15:21 42:7,23 43:11 44:3,11,11 44:15,23,24 45:15 45:21 46:13 49:16 49:18 50:15,19 51:20 52:3,11 determine 13:23 devinsky's 27:2 devolving 17:22 dexter 5:19 33:9 33:10,11,19 34:3 34:13,25 35:3,14 36:16 37:7,20,24 38:17,22,24 39:4 39:11,16,25 40:10 41:2,7,12,15 difference 12:25 13:5 34:15 different 12:14,19 12:21,24 13:9 17:3,4,25 38:19 38:19,21,22,23 39:3,7,11,12,12 39:13,15 40:1,23 48:25 49:15	direct 27:15 directions 17:5 directly 25:3 48:9 disagree 34:17 disagreement 47:21 disagrees 47:17 disallowed 8:8 15:4,5,5 17:23 18:9 disavow 23:24 29:7 disavowed 21:16 disclose 35:19 36:25 38:2 disclosed 35:22,23 36:3 disclosures 7:10 7:14 35:18,21 36:1 37:2 discoverable 36:16 discovery 35:25 36:19 37:9,22,25 38:4,5 discretion 18:8 discuss 23:1,15 discussed 19:4 21:14 22:9 23:3 24:1,6 25:14 discussing 34:22 discussion 16:20 33:22 discussions 43:9 disingenuous 43:12 dismiss 45:21 47:2 dispose 7:4 disposed 16:4 disposing 9:18 dispute 9:25 10:5 42:19
d d 4:24 6:1,2 17:16 17:18,21 18:11 d.c 5:10 damage 7:3 10:24 damages 8:17 9:10,14 12:22 daniels 6:23 40:17 40:18 date 28:1 29:16 29:18 30:14,19			

[disputes - fundamental]

Page 5

disputes 18:24 23:24 29:2	25:4,11,12,20 45:10 47:8 51:5 52:14	fact 9:17 13:11 21:24 27:7 38:10 40:23 47:12	find 30:19 fine 11:7,11 20:3 26:7	
distinction 11:3	escape 21:21	factor 12:12	finish 11:5 16:18 35:2	
district 1:2 3:3	essentially 8:23 9:1 11:5 45:20,20 46:20 47:1 50:14	factors 19:10 22:14 23:3	first 6:12,15 11:16 12:20 21:14 32:7	
documents 7:15 7:17	establish 13:4	factual 10:5 19:25 20:4 24:21,22,23 24:24 39:3,9 47:2 47:5,6	34:10 35:9 50:17 50:24	
doing 20:7 45:20	estate 10:21 11:3 11:4,7,8,11,21 14:12	failed 42:5,8	fix 35:8,9	
dollar 42:6 43:13	et 1:11,20 2:6	failure 42:20 47:25	fixing 52:14	
dozen 35:20	evaluate 19:3	fair 24:5 33:12,15	floor 4:5	
drawing 50:7	everybody 12:4 51:20	familiar 37:24	focused 12:8 51:21	
due 31:11,13 35:5 35:7 39:5	evidence 36:5 39:12,15,17 40:1 40:3 42:9	feeling 32:6	focuses 18:11	
duplicated 49:20 50:21	exactly 21:5 27:13 32:17	feels 38:18	follow 46:8	
duplicates 52:3,4	example 13:25 20:18 40:6 43:3	fgl s 3:13 4:4 41:25 42:2 43:3,10,16 49:1,3,18 50:14	following 10:9	
e				
e 2:21,21 4:1,1 6:1 6:1,2,2 13:25 14:8 14:8 53:1	exbs 23:22 24:6	exceeded 44:13,18 50:20 51:10	footnote 51:14 52:6	
earlier 35:22	excuse 41:21	fictitious 9:1,3 12:16,25 13:6	forecloses 25:9	
ecro 2:25	exhibit 44:16 49:21	fight 30:3,4	foreclosing 26:10	
editorially 36:25	exhibits 38:19	figure 14:18 16:21	foregoing 53:3	
effect 10:15 15:24 26:9	expedited 3:1	figured 49:8,22	forget 28:1	
effectively 31:7	experts 32:23	file 11:7,11 22:20 30:13 35:1,4,15	forgetting 27:7	
either 35:9	explain 40:22 42:5,21 48:7	36:22 37:9,13 38:8,8 41:7	forth 32:19 49:9 52:2	
elderly 38:12	explained 43:2,4	filed 6:8 7:11,14 16:23 40:16 43:3 43:9	forward 6:7 22:25 24:15 27:18 28:17 41:2,16	
email 30:6 32:19	explaining 43:10	filings 21:15 41:8 46:19	found 24:7	
ended 8:22	extended 38:13	final 8:6 9:17 16:24 17:10 21:8	four 24:10	
enter 30:5	extent 43:6	finally 9:14 51:25	frankly 10:8 11:23	
entered 6:14	f			
entirely 42:4	f 2:21 53:1			
entitled 20:24 40:14 42:17	face 41:20,22			
entitlement 21:3	faces 41:23			
equitable 22:2 29:1	facie 13:4,5 46:16 46:17,23			
equity 3:13 7:3,13 8:7,15,20,21,24 9:11 11:13 12:10 12:12,16,25 13:6 13:19 14:4,15,25 15:6,8,14 20:20				

[further - issues]

Page 6

further 24:12 29:10 52:11	grounds 50:16 guess 22:8 25:11 27:2 28:4,23 36:18,21 37:6 38:6 52:14,15 guys 11:23	45:8 46:9 47:21 48:10 49:11,14,23 50:3,7,11 52:12 52:16,19 honor's 21:15 29:6 hopefully 43:18 43:24 horse 19:2 47:1 host 38:25 hostetler 4:10,19 6:6 houston 4:22 how's 12:18 hunt 4:24 31:21 32:9,12,17,22 33:2 34:8 35:6,11 35:13,25 36:9,14 36:22 37:3,11,14 37:17 38:3 hyde 3:25 53:3,8	individually 26:21 inevitable 16:23 24:16 inextricably 25:20 information 36:16 40:4 44:4 initial 7:10,14 35:18 36:1 45:2 45:19 46:14 48:1 50:22 51:14,22 initially 36:3 insolvency 40:8 insult 43:20 inter 42:3 43:7 48:1 50:22 51:18 51:21 52:8 interest 9:14 20:19,24 38:14,17 interestingly 32:14 interrupt 11:10 intertwined 25:20 introduced 11:16 investment 1:8,17 2:6 7:8 investor 2:3 5:8 invoke 29:5 invoked 21:15 ira 38:24 irving 1:7,16 issue 7:21 9:7,13 9:13 10:1 11:14 16:20 19:3 20:19 24:19 25:5 26:18 26:20 27:2,17,22 31:1,20,24 33:8 34:12 35:23 36:23 38:8 40:9,12 41:4 44:2,21 52:8 issues 9:18 10:4 16:20 17:16 19:22
g		h	i
g 6:1,2 general 11:3,6,8 11:11 germaine 24:1,3 getting 51:15 give 21:23 22:6,19 29:23 30:12,14 33:23,25 40:21 44:4,10 45:1,18 47:14,18 50:18 given 35:16 46:13 51:19 gives 7:2 giving 44:17,19 45:1 51:21 go 6:7,25 7:12 8:19 9:2,6 11:7,11 14:1 19:4 22:25 24:15 27:18 30:8 31:2 41:24 47:3 goes 49:5 going 17:4,6 22:1 26:8,12 27:1 30:16,18,21,25 31:24 33:13 34:12 34:18,20 36:6,23 37:12,17 39:4,18 39:19 40:3,6 41:7 50:2,13 good 6:5,17 49:6,8 grant 38:9 granted 26:9 28:23 granting 3:4 great 35:11 green 2:11 greenblatt 34:19 greg 33:11 gregory 5:19	helpful 8:3 hip 31:19 history 51:11 52:6 hogan 4:3 43:16 hole 6:21 hon 2:22 honestly 37:24 honor 6:5,7,9,14 6:17,20 8:2 10:7 11:1,15 16:12 17:12 18:17 19:1 19:8,11 20:8,10 21:14 22:24 23:16 24:5,10,14 25:17 26:7,23 27:7 28:5 28:19,23 29:11,19 30:2,17 31:9,17 32:18 33:10,20 34:8 35:14 37:4 38:3 39:20 40:11 41:2,15,18,21,23 41:25 43:15,18	i.e. 43:7 idea 30:14 identify 36:6 ignoring 11:2 45:19 46:14 impact 10:20 implicate 25:3,24 implicates 38:25 important 27:7 impose 41:9 improper 22:13 impute 49:25 inclined 38:9 included 32:19 50:20 includes 20:12 incorporate 52:5 indiscernible 18:11 25:7 35:19 41:13,13 43:19	

[issues - mistaken]

Page 7

19:25 20:4,12 21:21 24:21,22,23 24:24 26:19 27:18 28:20 32:16,25 34:2,14,21,22 38:10,20,21,23,25 39:2,3,9 40:5,23 41:5	knee 32:4 knew 49:18 51:20 52:1 know 7:9 8:1,5 9:3,11 10:4 11:13 15:8 17:3,13 18:6 19:9,9,13 20:3,13 23:7 24:21 26:15 26:16,21 27:3 28:14 31:1,19 34:8,17,20 36:4 36:17 37:3,5,7,19 40:15,17,22 43:21 44:14 45:14 47:7 47:8 48:6,8,11,21 48:23 49:1,3,25 51:6 knowledge 35:20 36:11 49:23 50:4	52:4 liability 11:6 25:4 25:19 lifland 15:5 limine 39:5 41:8 limited 14:9 line 6:25 23:13 linkage 18:12 liquidation 1:7,16 list 36:12,14 listen 47:7 litigation 11:14 little 7:1 live 17:7 llc 1:8,17 2:6 3:13 llp 4:3 5:1,14 logistical 3:6 long 7:12 12:9 19:13 32:3 34:9 34:23 37:5 39:19 longer 18:14 look 21:13 22:14 27:25 41:2,16 44:15 looked 8:4 36:18 looking 12:5 28:14,16 lose 46:8 47:22 loser 47:10 lot 18:18 24:23 34:20 39:21 low 32:14 34:10 lowry 10:10 lp 5:2,15 luck 38:2	maintaining 25:2 making 16:8 27:21 managing 7:16 mandatory 37:1 mann 5:2,15 6:18 13:12 16:13,13 mann's 16:13 manner 12:19 marco's 17:14 material 49:20 52:4 matter 6:12 28:7 28:9 matters 3:6 mean 12:2,4 19:6 19:20 21:20 23:1 23:2 24:1 25:4,6 27:2 30:5 36:18 36:21 39:2 41:4 45:8 47:20 49:2,5 49:14 meant 8:15 medical 31:20 32:15 40:25 mentioned 24:21 merrill 5:2,15 meryl 6:18 16:13 met 49:6 method 7:8 43:8 michael 5:2,15 6:18 16:13 million 31:23 42:4 42:18 44:17 45:2 45:19 51:3,7 52:15 mind 30:15 mineola 53:23 ministerial 17:23 minute 17:6 minutes 38:16 mistaken 40:11
j j 4:15 5:24 january 32:5 jason 4:17 41:18 joined 19:8 judge 2:23 6:23 11:16 12:11,11 18:11 25:17 29:17 30:19,23,24 40:17 40:18 judgment 10:6 17:22 26:6,24 27:1 judicata 15:24 19:18 25:8 26:9 29:9 june 34:4 jurisdiction 21:15 21:22 22:2 23:4 23:11,17,19,21,23 23:24 24:18 28:24 28:25 29:1,6 jurisdictional 19:3 28:7,20 jury 24:9,18 27:23 40:15	1 l 1:7,8,16,17 2:6 l.p. 1:11 6:19 late 33:13 law 11:19 12:6,7 14:3,21 23:25 38:10 40:23 lead 1:3 leaves 27:17 ledanski 3:25 53:3 53:8 left 13:16 16:15 16:16 18:22,25 19:6 20:4 legal 9:23 10:3,10 11:14 13:15 26:19 28:18 34:22 38:19 38:21,23,25 39:1 41:4,5 53:20 length 22:9 24:6 letter 8:5,12 32:18 42:7,24 43:4 44:16,23,24 45:15 45:21 46:13 50:19	m m 2:22 5:19 madoff 1:8,8,17 1:17 2:6 6:4 10:2 26:21 40:2 main 4:21 34:4 maintained 26:11	
k k 2:25 5:9 kelley 5:22 kevin 5:12 key 44:2 kind 16:23 31:6 44:4 kirby 10:9			

[mohan - particular]

Page 8

mohan 5:23	net 7:3,8,13 8:7	ny 2:12 4:6,13 5:4	ones 43:23
monday 22:25	8:14,20,21,24	5:17 53:23	ongoing 36:1
money 7:18 8:21	9:11 11:13 12:9	o	opened 50:23
8:21 9:12,12,13	12:12,16,25 13:5	o 2:21 6:1,2 53:1	opine 27:3
17:8 27:4,4,5	13:19 14:4,15,24	object 16:2 17:9	opinion 46:7
51:16	15:6,8,14 20:20	objection 8:19	opportunity 41:3
month 32:2	25:4,10,12,20	15:20 19:14 30:7	opposed 10:9
morning 6:5,17	45:9 47:8,9,10	34:7 41:17 42:1,2	opposing 27:25
9:24	51:4 52:14	43:10 45:8,12	28:1,6
motion 3:1,2,4,11	never 27:9 30:15	46:3,5,7 47:7	oral 16:6,12 19:6
6:13 10:6 16:6,12	36:7 40:6	50:14,18 51:18,19	21:16 25:15 26:24
17:24 18:20 19:7	nevertheless	51:21	34:12
20:2,3 21:17,19	31:25	objections 3:12	orally 22:8
22:10,11,21 24:12	neville 5:6 6:16,17	8:15 15:19 18:22	order 6:8,13 8:2,6
25:15,16 26:5,8	6:18 7:9 8:1,12,16	20:6 22:22 25:9	8:7,11 9:24 20:11
26:24,24,25 30:14	8:20 9:5 10:7,15	27:21 28:2 30:1	20:14 21:1 26:17
31:5 34:24 35:15	10:25 11:9,15	52:10,11	26:22 29:24,25
36:22 37:10,13	12:2,4,17,20 13:2	obviously 30:13	30:6,8 34:12,12
38:7 40:11 42:1	13:7,9,11,20,22	37:9 49:18	44:5,10,25 50:15
45:21 47:2,22	14:6,10,17,22	occasions 32:18	50:17 52:14
50:14	15:1,4,9,15,17,25	occurred 17:17	orders 9:17
motions 28:21	16:3,8,10,12,16	52:7	overlap 19:23
39:4 41:8,11	16:18 17:2,12,25	october 33:21	overrule 3:12
move 28:17	18:4,6,10 19:4	offline 43:9	50:13
multiple 32:18	20:7,8,22 23:1	oh 11:25 31:15	p
n			
n 4:1 6:1,2 53:1	27:8 29:18 30:2,9	okay 6:15 8:14	p 4:1,1 6:1,2
n.w. 5:9	30:11,13,16,21,24	13:8,15,21 16:8	paid 52:15,16
nailed 9:14	31:5,9,14 34:23	16:15 18:20 20:9	paper 40:21
nathaniel 5:22	37:4 39:20,23	29:23 30:9,10,11	papers 23:21
necessarily 25:24	new 1:2 2:12 4:6	31:8 32:11 35:1,3	29:10
44:1	4:13 5:4,17 27:4	35:12 36:3 37:16	paragraph 22:21
necessary 27:17	41:20,22,23	37:20 38:1 39:23	paragraphs 20:13
need 17:20 19:2	nicholas 4:15 6:5	41:2 42:22 44:2	21:6
22:13,23 34:23	18:18	45:17 46:4,22	paraphrasing 8:9
needs 33:19	night 20:11	50:8,10 51:2	pardon 45:4
negative 17:15	normally 47:12	52:13,18	park 5:16
nelson 1:20 31:16	notice 43:12	old 23:8 27:4,5	part 8:13,20 20:6
31:19,22,23 33:11	november 2:14	53:21	20:20 23:8,12
34:4 37:23 38:12	53:25	omnibus 3:11	24:3 27:23,24
nelson's 32:4	null 24:8	41:17 42:1 43:10	35:9 49:16,18
nelsons 40:15	number 16:19	once 16:22 23:22	partial 41:25
	19:22	33:18	particular 42:17
			43:13 51:14

[parties - reasons]

Page 9

parties 40:14	prejudgment 20:18	procedure 8:11 44:5,9,10,25 50:15,17	46:25 pw 34:19
party 23:22	prejudice 15:19 15:22 16:7,14 18:21,22 19:13,14 19:16 20:5,6 22:3 22:15,22 25:9,16 26:2 27:20 28:3 30:1 49:17	proceeding 6:24 12:13 13:23 14:24 15:14 17:8 19:21 21:9,12 23:4,11 36:5	q
path 6:21 10:9	prejudiced 22:17 47:24 48:5,20 49:1 50:1,6 51:25	proceedings 52:21 53:4	question 7:23 8:25 9:20,23 13:1 13:14 19:17 23:6 23:16 24:23 37:19 45:24,25 47:24 49:12,16
patrick 5:23	prepare 30:2	process 8:3 13:17 17:1,4 18:23,25 20:1,5 21:10 23:12 24:4,25 27:24	questions 16:22 50:12
pending 3:3 19:8 19:8	prepared 8:7 15:18 27:18 28:20	profits 9:1,3 12:16,25 13:6 25:10 26:3 42:4 51:17,24	quite 37:24
people 36:4,14 37:15	present 5:21 20:25	proof 45:25 46:2 46:9,11 50:25	r
perfect 13:25	presently 20:25	property 10:2	r 2:21 4:1,16 6:1,2 53:1
period 14:1 38:13	pressing 45:20	propose 6:7	rabbit 6:21
permission 35:15	pretrial 8:2,2 9:24 20:11,14 21:1 26:17,22	proposed 32:17 36:12	raise 10:1
personal 49:23 50:3	pretty 33:6 39:16 49:25 52:6	proposing 11:4,5	raised 13:24 15:20 16:19,22 26:21 51:20
personally 10:2	prevailed 14:8	proposition 21:8	rakoff 11:16 12:11,11 25:17
phone 30:7	prima 13:4,5 46:15,17,23	protection 2:3 5:8	reach 27:9
picard 1:7,16	primarily 42:2	prove 34:18	read 9:24 20:14 26:15,17 49:24
plain 49:2	primary 39:16	provide 40:4 42:9	reading 41:16
plaintiff 2:4 19:15 46:18	principal 43:5,6 48:18,20	provides 23:22	really 7:4 8:9 9:11 10:22 12:5 14:11 16:18,21 17:3,4
plaintiffs 1:9,18	principles 15:24 19:17 25:8	provision 36:24 37:1	17:20 19:2,14 21:11 22:4 25:12 26:20 50:24 51:1 51:20
planning 36:9	printout 51:13	purported 21:17 22:17 24:7	reason 10:8 32:21 43:13 44:11,12,18 45:1,3,5,18 46:13
plaza 4:12	prior 45:15	purposes 13:19 28:7	47:14,18,19,22,25 49:4 51:15,23 52:1,8
pleading 31:8	priority 11:17	pursuant 3:2 6:13	reasoning 12:5
pleadings 24:12	probably 30:25 49:8	put 9:5 13:12,12 27:2 29:9,13 40:3 40:21 51:3	reasons 34:14 40:15,25
please 6:3 11:10	problem 27:6 31:19 48:3	putting 16:9 19:2 26:18 32:15 46:20	
point 22:13 24:17 25:25 26:4,7 31:7 46:12	proc 3:9		
pointed 20:11	procedurally 22:12		
ponzi 10:1,11,14 11:23 12:9 14:11 25:2,24 26:19 27:1,12,17 34:21 40:7			
portfolio 7:16			
position 33:10,12 48:22			
positive 17:15			
preclude 22:12			
precludes 22:10 26:2 27:21			
preference 6:9 51:12			

[recall - sounds]

Page 10

recall 8:17	report 27:3	rule 3:2 19:9,10 19:14 22:10,14 23:7,8 27:8 36:18 37:6,11,14	see 6:10,11 7:11 7:19 22:20 41:14
receive 42:3	reports 7:16	ruled 40:18	seek 36:19
received 9:1 43:5	request 3:6 35:15	rules 46:8	seeking 45:10
recognized 25:17 25:18	requested 7:18	ruling 3:3 28:11	seeks 17:8,9
record 36:4 38:3 53:4	res 15:24 19:17 25:8 26:9 29:8	rulings 7:4	sense 19:1 40:16 40:24,25
recover 17:8	resolution 29:1	s	separate 8:25 22:20
recovering 17:22	resolved 10:4,5 43:23	s 4:1 5:22 6:1,2	set 10:23 11:12 49:9 52:2
recovers 17:21	respect 3:12 9:18 29:2	satisfy 11:12 27:4	settled 17:16
recovery 10:24	respective 34:16	saying 10:4,22	seven 34:25 39:5
reduce 11:5,12	respects 49:20 52:4	11:1 12:14,23	she'd 33:23
reference 3:4 20:15,17	respond 20:2,3 21:19,23,24 22:6	13:17 14:14,20	she'll 33:18
referenced 43:4	22:8,23,24 29:23	15:13 18:14 21:3	sheehan 5:24
referring 21:6	34:23,25	21:11,20 22:4,9	show 6:13 13:5,6 13:12 34:12
refers 51:18	response 14:23,24	25:7 28:6,10 36:2	sides 12:10 15:9
refused 32:20	26:24 31:11 35:1	42:8,16 45:11	silent 44:21
regarding 21:21 31:15,18	35:4,5 38:8,9	47:16,16 49:16	similarly 40:16
regardless 14:19	41:17 50:10	says 8:5 18:8	simple 23:14 24:19
rejected 51:4	result 6:24 24:9	22:21 24:2 44:10	simply 34:3 43:4
related 23:18,23	28:14,16,18 29:3	45:1 50:17	single 36:7
relatedly 51:25	52:15	schedule 29:19	sipa 11:3,6,9,17 42:6
relating 24:24	retired 48:23	31:9 33:24 34:10	sit 39:24
relatively 33:4	revived 13:22	scheduled 6:12	situated 40:16
relevant 36:5	revives 20:12	24:15 32:6,8,9	situation 18:8 19:15
rely 36:15 49:13	richard 4:8 43:15	scheme 10:1,11,14	six 14:1
relying 47:8	right 13:21 17:2	11:17 12:9 14:11	sixth 11:25
remain 19:23	18:4,4 22:19 24:8	25:2,24 26:19	smb 1:3,5,14 2:1 3:1,6,8,11
remaining 9:7 43:22	24:18 25:1,15	27:2,12 34:21	solely 3:12
remains 21:24	29:20 33:1,7 35:6	40:7	solutions 53:20
remedies 12:21	37:6 38:6 39:5	seanna 4:16	sonya 3:25 53:3,8
remember 7:12 36:17	40:8 41:17,24	seated 6:3	soon 24:13
reopen 36:19	42:22,25 45:13	sec 9:10	sorry 31:17
reopening 37:9	47:14 48:19 49:17	second 9:6,9 14:7 15:3,5 35:8 46:7	sound 21:8
repaid 18:9	50:1,5,13 52:20	section 14:8	sounds 35:11 40:24
replacement 31:20	rights 14:21	securities 1:8,17	
reply 30:13 31:13 35:7	rise 6:3 7:2	2:3,6 5:8 10:18,19	
	road 53:21	11:19,22 12:6,6	
	rockefeller 4:12	12:20 21:3 40:1,2	
		security 36:7	

[southern - trustee]

Page 11

southern 1:2	subsequently 21:16 29:7	testify 39:2	traders 36:6,7
specificity 40:22	substance 51:15	thank 18:17 31:14	trading 27:3
spurred 9:10	sued 51:12	35:13 41:14,15,18	39:25 40:2 51:9
squarely 29:3	sufficient 19:7	43:18 52:17,19,20	trail 10:9
standards 45:22	47:22	theory 51:12	transcribed 3:25
45:25	sufficiently 40:23	thing 14:12 33:2	transcript 53:4
stanley 31:22	suggest 30:21	things 8:5 9:15	transfer 7:19 17:9
48:16	suggesting 45:22	16:19 33:6 47:1	17:22 26:20 42:3
state 14:2,21	suit 29:7	think 6:21,22 9:22	42:6,6 43:5,7,7
statement 20:23	suite 4:21 5:9	15:11 18:10,19	44:20 45:2 46:14
21:4 27:9 51:4	53:22	19:1 21:13 22:13	48:1 50:23 51:14
statements 7:16	suits 29:6	22:13,25 23:3,14	51:19,22 52:8
states 1:1 2:10	summary 10:6	24:6,20 25:4,14	transferor 43:6
stay 3:2,4 6:13	26:6,24,25	27:6 28:22 30:4	48:2 51:16,24
23:2 30:15 31:5	supplementing	32:12,22 33:5,12	transferred 10:3
stayed 31:7	36:4	33:15,19 34:9	transfers 17:17
step 27:25 30:20	support 37:15	36:15,19,23 37:3	trashes 12:4
stick 13:1	47:12	37:4,8 40:10 41:1	treating 42:6 43:2
stipulated 13:18	sure 19:19 23:10	41:12 42:8 44:2	treatment 43:13
15:2 27:10	surgery 32:5	46:25 49:3 51:3,7	trial 3:2,6,8 7:21
stipulations 26:18	sustained 46:8,10	third 3:11 4:5	22:25 23:2 24:9
straightforward		thought 31:23	24:15,18 27:17,22
33:4	t	three 18:21,23	28:1,17 30:13
strain 38:11	t 53:1,1	32:23	31:7,16,19 33:15
strategic 23:9	take 27:25 34:20	threshold 19:3	33:16,24 34:4,13
street 4:21 5:9	37:22 38:5,15	time 6:20 7:3,7,13	34:19 35:9,9
strenuous 33:14	39:18,19 43:20	7:24 8:16 9:9,12	36:15,20,21 37:8
strike 50:14	taken 37:25	9:14 12:9 15:23	39:6 40:5 47:3
struck 24:8	talked 19:9,23	19:9 21:14 22:9	trials 33:8,13
struggle 10:7	talking 8:10 48:11	22:14,23 24:1	35:16 40:15
stuart 2:22	49:19	25:15 31:23,24	tried 16:21 33:5
su 2:25	tamlyn 4:3 43:16	32:1,3 34:9,20	tries 19:15
subject 10:18	target 32:9	36:17 38:13 43:7	trouble 23:13
11:13,20 28:21	task 33:14	43:19 45:8,14	true 11:18 53:4
33:12	telephonically	48:2,14	trustee 1:7,16
submit 23:17,20	5:21	timely 45:12	4:11,20 6:7 7:11
24:11,13 29:24	tell 17:6 20:13	times 25:17	7:17 8:6,6 12:11
43:1 52:13	28:13 30:7 31:3	today 26:13 29:15	14:1,8 15:23
submits 23:22	37:12 38:9 50:5	29:20 30:5 31:12	17:15,21 18:18
28:25	telling 13:16	toes 30:20	22:16 35:16,20
submitted 20:10	38:11	totally 44:21	41:19 42:5,10
subsequent 28:24	terms 47:3	traded 36:7	43:22 44:1,3
46:6 48:24			47:15,25 49:19

[trustee - zero]

Page 12

50:18 51:1,12 52:13 trustee's 7:7 15:21 35:21 40:11 41:5,17 42:1,15 42:20 46:6 52:11 trustees 3:11 truthfully 8:2 try 21:11 23:11 32:16,22 33:17 34:1,2 38:14 40:18,24,25 trying 14:18 24:17 26:16 34:9 twenty 3:11 two 8:19 9:2 12:10,21 14:9 15:9 17:14 31:21 32:16 34:4 35:18 41:8,23 47:1 tx 4:22	veritext 53:20 versus 8:21 9:12 view 43:11 virtue 31:7 vis 7:20,20 8:7,7 18:23,23 20:4,4 void 24:8	withdrawals 7:8 13:18 23:9 27:5 33:1,3 34:15 38:15 39:9,14 42:13 44:13,18 47:4 50:20 51:10 withdrawning 7:24 15:21 19:12,16 20:5 21:22 22:3 29:25 withdrawn 21:25 24:25 52:12 withdraws 19:13 witnesses 32:23 35:20 36:10,12,13 39:2 woman 33:12 words 9:24 13:3 15:20 16:11 17:21 18:7 36:6 39:8 47:15 worked 27:8 49:7	52:12,16 yesterday 6:8 35:17 york 1:2 2:12 4:6 4:13 5:4,17
			z
			zero 13:19 42:6 42:17 43:2,13 48:1 49:4 50:22 51:13,15,21
u			
u.s. 2:23 ucc 21:4 umbrella 12:9 unappealable 8:7 9:17 underlying 42:9 understand 8:14 11:2 12:8,23 13:10 18:14,15,24 20:16 21:7,20 23:7 25:22 26:14 27:16 38:12 48:15 unique 17:4 united 1:1 2:10 use 37:15,17	we've 28:19 36:1 43:1,9 46:8 52:16 week 29:14,20,23 31:12 41:9 welcome 43:17 went 6:21,23 8:4 8:16 9:13 16:20 whacking 14:12 willing 27:11 winner 47:9 wire 7:19 withdraw 3:4 15:18 16:1,1,7,13 18:21,21 19:7,16 22:15,21 25:16 28:2 46:6	x	
	withdrawal 21:17 22:17,18 23:25 24:8 25:7,8 26:2 27:20 28:22 31:10	x	x 1:4,6,13,15,22 2:2,8 13:12,12
v		y	
v 1:10,19 2:5 value 9:4,13 25:19 32:14 34:10 49:4 vanilla 29:25		y 13:13 yeah 12:2 18:10 28:4,18 29:14 31:6 37:11 48:6 year 14:1 27:8 years 8:19 9:2 14:9 yeskoo 4:3,8 41:23 43:15,15,15 43:18,21,25 44:2 44:7,9,15,25 45:4 45:7,11,14,18 46:2,5,12,17,20 46:25 47:6,18,20 48:3,6,9,13,16,19 48:21 49:1,5,11 49:13,22 50:2,7,9	